

ND ASSOCIATION OF COUNTIES
NDACo FUND
State Investment Board
Balance Sheet
As of 6/30/2006

	As of <u>6-30-06</u>	As of <u>6-30-05</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 331,290	\$ 133,857
INTERNATIONAL EQUITIES	103,649	38,312
DOMESTIC FIXED INCOME	309,046	187,700
INVESTED CASH (NOTE 1)	<u>46,783</u>	<u>24,922</u>
 TOTAL INVESTMENTS	 790,768	 384,791
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	1,225	1,125
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	<u>131,442</u>	<u>76,749</u>
 TOTAL ASSETS	 <u>\$ 923,435</u>	 <u>\$ 462,665</u>
LIABILITIES:		
ACCOUNTS PAYABLE	736	507
SECURITIES LENDING COLLATERAL (NOTE 2)	<u>131,442</u>	<u>76,749</u>
 TOTAL LIABILITIES	 132,178	 77,256
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	385,409	306,518
CASH IN DURING YEAR (NOTE 3)	380,661	50,000
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>25,187</u>	<u>28,891</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>791,257</u>	 <u>385,409</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 923,435</u>	 <u>\$ 462,665</u>

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State Investment Board
Profit and Loss Statement
For the Month Ended 6/30/2006

	Month Ended <u>6-30-06</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 1,819	\$ 15,519
SECURITIES LENDING INCOME	514	3,416
	<u>2,333</u>	<u>18,935</u>
 GAIN ON SALE OF INVESTMENTS	 9,394	 70,625
LOSS ON SALE OF INVESTMENTS	<u>8,382</u>	<u>45,677</u>
 NET GAINS (LOSSES) INVESTMENTS	 1,012	 24,948
 INVESTMENT EXPENSES	 618	 2,293
SECURITIES LENDING EXPENSES	<u>486</u>	<u>3,252</u>
 NET INVESTMENT INCOME	 2,241	 38,338
 NET APPREC (DEPREC) MARKET VALUE	 (2,660)	 (13,183)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(2)</u>	<u>32</u>
 TOTAL INVESTMENT INCOME	 <u>(421)</u>	 <u>25,187</u>
 NET INCREASE (DECREASE)	 <u>\$ (421)</u>	 <u>\$ 25,187</u>

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NDACo FUND
Notes To Financial Statements
June 30, 2006

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 2 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 3 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.